



DEPARTMENT OF COMMERCE

International Trade Administration

[C-274-809]

Urea Ammonium Nitrate Solutions from the Republic of Trinidad and Tobago: Final Affirmative Countervailing Duty Determination

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The U.S. Department of Commerce (Commerce) determines that countervailable subsidies are being provided to producers and exporters of urea ammonium nitrate solutions (UAN) from the Republic of Trinidad and Tobago (Trinidad and Tobago). The period of investigation is January 1, 2020, through December 31, 2020.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Thomas Martin or Ariela Garvett, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3936 or (202) 482-3609, respectively.

SUPPLEMENTARY INFORMATION:

Background

On December 3, 2021, Commerce published the *Preliminary Determination*.¹ For a complete description of the events that followed the *Preliminary Determination*, see the Issues and Decision Memorandum.² The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered

¹ See *Urea Ammonium Nitrate Solutions from the Republic of Trinidad and Tobago: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination With the Final Antidumping Duty Determination*, 86 FR 68640 (December 3, 2021) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum.

² See Memorandum, "Issues and Decision Memorandum for the Final Affirmative Determination in the Countervailing Duty Investigation of Urea Ammonium Nitrate Solutions from the Republic of Trinidad and Tobago," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Period of Investigation

The period of investigation is January 1, 2020, through December 31, 2020.

Scope of the Investigation

The products covered by this investigation are UAN from Trinidad and Tobago. For a complete description of the scope of the investigation, *see* Appendix I.

Scope Comments

No interested party commented on the scope of the investigation as it appeared in the *Preliminary Determination*. Therefore, no changes were made to the scope of the investigation.

Analysis of Subsidy Programs and Comments Received

The subsidy programs under investigation and the issues raised in the case and rebuttal briefs by parties in this investigation are discussed in the Issues and Decision Memorandum. For a list of the issues raised by interested parties and addressed in the Issues and Decision Memorandum, *see* Appendix II to this notice.

Methodology

Commerce conducted this investigation in accordance with section 701 of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, Commerce determines that there is a subsidy, *i.e.*, a financial contribution by an “authority” that gives rise to a benefit to the recipient, and that the subsidy is specific.³ For a full description of the methodology underlying our final determination, *see* the Issues and Decision Memorandum.

Verification

³ *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

Commerce was unable to conduct on-site verification of the information relied upon in making its final determination in this investigation. However, we took additional steps in lieu of on-site verifications to verify the information relied upon in making this final determination, in accordance with section 782(i) of the Act.⁴

Changes Since the *Preliminary Determination*

After evaluating the comments received from interested parties and record information, we have made no changes to the net countervailable subsidy rates calculated for Methanol Holdings (Trinidad) Limited (MHTL), the sole mandatory respondent in this investigation. For a discussion of these comments, *see* the Issues and Decision Memorandum.

All-Others Rate

In accordance with section 705(c)(1)(B)(i) of the Act, we calculated an individual estimated countervailable subsidy rate for MHTL. Section 705(c)(5)(A)(i) of the Act states that, for companies not individually investigated, Commerce will determine an all-others rate equal to the weighted-average countervailable subsidy rates established for exporters and/or producers individually investigated, excluding any zero and *de minimis* countervailable subsidy rates, and any rates determined entirely under section 776 of the Act.

Commerce calculated an individual estimated countervailable subsidy rate for MHTL, the only individually examined producer/exporter in this investigation. Because the only individually calculated rate is not zero, *de minimis*, or based entirely on facts otherwise available, the rate calculated for MHTL is the rate assigned to all other producers and exporters not individually examined in this investigation, pursuant to section 705(c)(5)(A)(i) of the Act.

Final Determination

⁴ See MHTL's Letter, "Urea Ammonium Nitrate Solutions from the Republic of Trinidad and Tobago: MHTL's Response to the Department's In Lieu of Verification Questionnaire," dated December 21, 2021; *see also* Government of Trinidad and Tobago's Letter, "Urea Ammonium Nitrate Solutions from the Republic of Trinidad and Tobago: GoTT's Response to the Department's In Lieu of Verification Questionnaire," dated January 19, 2022.

Commerce determines that the following estimated net countervailable subsidy rates exist:

| Company | Subsidy Rate (percent <i>ad valorem</i>) |
|--------------------------------------|---|
| Methanol Holdings (Trinidad) Limited | 1.83 |
| All Others | 1.83 |

Disclosure

Normally, Commerce discloses to interested parties the calculations performed in connection with a final determination within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of the notice of final determination in the *Federal Register*, in accordance with 19 CFR 351.224(b). However, because there are no changes from the *Preliminary Determination*, there are no new calculations to disclose.

Continuation of Suspension of Liquidation

As a result of our *Preliminary Determination*, and pursuant to sections 703(d)(1)(B) and (d)(2) of the Act, Commerce instructed U.S. Customs and Border Protection (CBP) to suspend liquidation of entries of subject merchandise, as described in the scope of the investigation section, that were entered or withdrawn from warehouse, for consumption, on or after December 3, 2021, the date of publication of the *Preliminary Determination* in the *Federal Register*. In accordance with section 703(d) of the Act, we instructed CBP to discontinue the suspension of liquidation for subject merchandise entered, or withdrawn from warehouse, on or after April 2, 2022, but to continue the suspension of liquidation of all entries of subject merchandise between December 3, 2021, and April 1, 2022.

If the U.S. International Trade Commission (ITC) issues a final affirmative injury determination, we will issue a countervailing duty order, reinstate the suspension of liquidation under section 706(a) of the Act, and require a cash deposit of estimated countervailing duties for entries of subject merchandise in the amounts indicated above. If the ITC determines that

material injury, or threat of material injury, does not exist, this proceeding will be terminated, and all estimated duties deposited or securities posted as a result of the suspension of liquidation will be refunded or canceled.

ITC Notification

In accordance with section 705(d) of the Act, Commerce will notify the ITC of its final affirmative determination that countervailable subsidies are being provided to producers and exporters of UAN from Trinidad and Tobago. As Commerce's final determination is affirmative, in accordance with section 705(b) of the Act, the ITC will determine, within 45 days, whether the domestic industry in the United States is materially injured or threatened with material injury. In addition, we are making available to the ITC all non-privileged and nonproprietary information related to this investigation. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under an administrative protective order (APO), without the written consent of the Assistant Secretary for Enforcement and Compliance.

Notification Regarding APO

In the event the ITC issues a final negative injury determination, this notice serves as the only reminder to parties subject to an APO of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

Notification to Interested Parties

This determination is issued and published pursuant to sections 705(d) and 777(i) of the Act, and 19 CFR 351.210(c).

Dated: June 17, 2022.

Lisa W. Wang,
Assistant Secretary
for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise covered by this investigation is all mixtures of urea and ammonium nitrate in aqueous or ammonia solution, regardless of nitrogen concentration by weight, and regardless of the presence of additives, such as corrosion inhibitors and soluble micro or macronutrients (UAN).

Subject merchandise includes merchandise matching the above description that has been processed in a third country, including by commingling, diluting, adding or removing additives, or performing any other processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the subject country.

The scope also includes UAN that is commingled with UAN from sources not subject to these investigations. Only the subject component of such commingled products is covered by the scope of this investigation.

The covered merchandise is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheading 3102.80.0000. Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the scope is dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Investigation
- IV. Subsidies Valuation
- V. Analysis of Programs
- VI. Analysis of Comments
 - Comment 1: Whether Commerce Should Revise the Natural Gas Benchmark Calculation for MHTL's Methanol Facilities
 - Comment 2: Whether Commerce Should Use Separate Natural Gas Benchmarks for MHTL's Ammonia, Urea, and Melamine (AUM) and Methanol Facilities
 - Comment 3: Whether Certain Affiliated Companies are Cross-Owned with and Provided Primarily Dedicated Inputs to MHTL
 - Comment 4: Whether Commerce Should Include the Rate Calculated for the Import Duty Exemptions Program in the Cash Deposit Instructions for MHTL
- VII. Recommendation

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